



Anthem Insurance Companies, Inc.

220 Virginia Ave

Indianapolis, IN 46204

STOP LOSS POLICY

This policy is entered into by and between Lexington-Fayette Urban County Government ("Employer") and Anthem Insurance Companies Inc., 220 Virginia Ave, Indianapolis, IN 46204, d.b.a. Anthem Blue Cross and Blue Shield ("Anthem") for the purpose of establishing stop loss coverage and is effective as of 01/01/2023 upon the terms and conditions herein ("Policy").

If there are any inconsistencies between this Policy and any prior stop loss agreements or the Administrative Services Agreement between Anthem and Employer, the terms and conditions of this Policy shall control.

In consideration of the promises and the mutual covenants contained in this Policy, Anthem and Employer (the "Party" or "Parties" as appropriate) agree as follows:

ARTICLE 1 DEFINITIONS

For purposes of this Policy and any amendments, attachments, or schedules to this Policy, the following words and terms have the following meanings unless the context or use clearly indicates another meaning or intent. If a term is not defined, the term shall have the same meaning as defined in the Administrative Services Agreement between the Parties.

DOMESTIC CLAIMS. Paid Claims for a service or supply provided by Employer or Employer's health system as the medical provider.

ELIGIBLE CLAIM DATE PERIOD. The dates during which Claims for benefits provided under the terms of the Plan must be Incurred and paid in order to be covered by this Policy.

INCURRED. The date on which a supply is obtained or a service is rendered to a Member.

INVOICE DUE DATE. The date of the invoice provided to Employer indicating when payment is due.

LINES OF COVERAGE. The benefit plan(s) administered by Anthem and provided in Schedule A.

PAID CLAIM. A Claim for Covered Services rendered or supplies provided to a Member under the terms of the Plan, provided such Claim has been received, adjudicated, and paid by Anthem. Paid Claim shall have the same meaning as contained in the Administrative Services Agreement between the Parties, unless excluded as indicated in Sections 4(E) and 5(D) of Schedule A.

POLICY PERIOD. The period of time indicated in Section 1 of Schedule A.

SPECIFIC STOP LOSS LIMIT. The threshold total dollar amount of Paid Claims for which Employer is financially responsible with respect to a Subscriber or Member as indicated in Section 4(A) of Schedule A. Subject to the terms of this Policy, Anthem is financially responsible for Paid Claims in excess of the Specific Stop Loss Limit.

ARTICLE 2 SPECIFIC STOP LOSS COVERAGE

2.1 When the total amount of Paid Claims pertaining to Subscribers or Members and Lines of Coverage provided in Sections 4(A) and 4(B) of Schedule A exceeds the Specific Stop Loss Limit provided in Section 4(C) of Schedule A, Anthem shall reimburse Employer for such excess.

Anthem's reimbursement under this Article 2 shall begin with the invoice on which the Specific Stop Loss Limit is exceeded.

2.2 In the event that the Specific Stop Loss Limit is reached, no amount in excess of the Specific Stop Loss Limit shall be applied towards attainment of any Aggregate Stop Loss Limit.

2.3 Certain Paid Claims may be excluded from the specific stop loss coverage provided in this Policy. These exclusions are provided in Section 4(E) of Schedule A as applicable.

2.4 For any reimbursement owed or made under this Article 2, Anthem shall be permitted to recoup or offset an amount equal to any prescription drug rebates received by Employer that are attributable to Eligible Claims Expenses of a Member whose Eligible Claims Expenses have met the Specific Stop Loss Limit, even if such rebates are received by Employer after the end of the Policy Period. The recoupment or offset shall be limited to the amount of the reimbursement that was made or would otherwise be made by Anthem absent the rebates. Employer shall provide documentation reasonably requested by Anthem as part of its Proof of Loss and within one year after payment under this Article 2 that demonstrates the value and the claims upon which any prescription drug rebates were received.

To the extent permitted by the Employer's PBM, Employer agrees to assign to Anthem its right to receive rebates from PBM that are attributable to Eligible Claims Expenses for Members whose Eligible Claims Expenses have met the Specific Stop Loss Limit, up to the limits set forth in the previous paragraph. Any payments of rebates pursuant to this assignment will continue to be credited to the amount of rebates paid by PBM to Employer pursuant to the administrative services agreement between PBM and Employer ("PBM ASA") and will be included in the calculation of any rebate guarantees offered to Employer under their PBM

**ARTICLE 3
AGGREGATE STOP LOSS COVERAGE**

This Article has been intentionally omitted.

**ARTICLE 4
LIMITATIONS ON COVERAGE**

- 4.1 Unless otherwise noted in Schedule A, Paid Claims for Members are covered under the term of the Eligible Claim Date Period of this Policy.
- 4.2 Claims that are covered by another contract shall not count toward the attainment of the stop loss limit(s) under this Policy. In addition, Paid Claims that are covered under the term of an Eligible Claim Date Period will not count toward attainment of any stop loss limit(s) under a subsequent Policy Period.
- 4.3 Under the Administrative Services Agreement, Employer may request Anthem to process and pay Claims that were denied by Anthem or take other actions with respect to the Plan that are not specifically provided in the Benefits Booklet. In such cases, payments shall not count toward the stop loss accumulators under this Policy unless otherwise agreed to in writing by Anthem.
- 4.4 If a Member does not enroll when first eligible or during a special enrollment period, the Member shall be considered a "Late Enrollee" as defined in the Benefits Booklet. Paid Claims for a Late Enrollee shall not apply towards the stop loss limits under this Policy unless Anthem first provides Employer with written approval and the effective date of coverage under this Policy. Anthem has the right to allow or deny stop loss coverage under this Policy for a Late Enrollee. Anthem shall not cover under this Policy any Late Enrollee not disclosed by Employer to Anthem.
- 4.5 A Claim incurred during the Eligible Claim Date Period but not paid until after the expiration of the Eligible Claim Date Period is not eligible for coverage under this Policy Period.

**ARTICLE 5
SETTLEMENT**

- 5.1 Within 90 days after the end of each Eligible Claim Date Period, Anthem shall furnish Employer with a settlement calculation and any additional data which, in Anthem's opinion, is needed to explain to Employer the settlement calculation. Anthem has the right to offset any amounts it owes to Employer under this Policy by any amount Employer owes under the Administrative Services Agreement, this Policy, or any other agreement with Anthem.
- 5.2 If, based on the settlement calculation for a Policy Period, Anthem must pay Employer an amount due under the terms of this Policy, Anthem shall pay Employer with the invoice that includes the settlement calculation.
- If, based on the settlement calculation Employer must pay Anthem an amount under the terms of this Policy, then Employer shall pay Anthem no later than 30 days following receipt of the invoice.

**ARTICLE 6
STOP LOSS PREMIUM RATES**

The premium rates for the specific stop loss coverage provided in this Policy are indicated in Section 4(D) of Schedule A. The premium rates for the aggregate stop loss coverage provided in this Policy are indicated in Section 5(C) of Schedule A. Employer shall pay Anthem such amounts by the Invoice Due Date.

**ARTICLE 7
LATE PAYMENT PENALTY**

If Employer fails to timely pay any amount due to Anthem under this Policy, Employer shall pay a late payment penalty for each day the payment is late. The late payment penalty shall be calculated at the rate of 12% simple interest per annum (365 days), and shall be included on a subsequent invoice and payable by the Invoice Due Date. If applicable, Employer agrees to reimburse Anthem for any expenses charged to Anthem by a financial institution, Provider or Vendor due to Employer's failure to maintain sufficient funds in a designated bank account. Any acceptance by Anthem of late payments shall not be deemed a waiver of its rights to terminate this Policy for any future failure of Employer to make timely payments.

**ARTICLE 8
CHANGES IN TERMS OR CONDITIONS**

- 8.1 If Anthem offers to renew this Policy at the end of a Policy Period, then Anthem shall provide Employer with the terms and conditions of the proposed renewal in writing within the time period provided in Section 1 of Schedule A. Employer shall notify Anthem in writing of its selection from the renewal options by indicating its selection and signing Anthem's designated renewal form. If Anthem does not receive a signed acceptance of the renewal from Employer prior to the start of the next Policy Period, Employer's payment of the amounts provided in the renewal shall constitute Employer's acceptance of the terms. Anthem shall provide a revised Schedule A that will become part of this Policy without the necessity of securing Employer's signature.

8.2 Policy Changes

Anthem reserves the right to make changes to this Policy, to Schedule A, or other applicable Schedules at a time other than the start of a Policy Period upon the occurrence of one or more of the following events:

(1) a change to the Plan benefits initiated by Employer that results in a substantial change in the services as determined by Anthem; (2) a change in ownership (including but not limited to a merger, consolidation, or transfer of all or substantially all of Employer's assets); (3) a change in the total number of Members resulting in either an increase or decrease of 10% or more of the number of Members enrolled for coverage on the date the stop loss premium was last modified; (4) a change in Employer contribution; (5) a change in the nature of Employer's business resulting in a change in its designated Standard Industrial Classification

("SIC") code; or (6) a change in applicable law affecting this Policy or any of the Plan Documents.

Anthem shall provide Employer with at least 30 days' notice of changes and such change will be effective as of the date of any occurrence listed above. If such change is unacceptable to Employer, either Party shall have the right to terminate this Policy by giving written notice of termination to the other Party within 30 days of the change. If Employer accepts the proposed change, Anthem shall provide a revised Schedule A that will then become part of this Policy without the necessity of securing Employer's signature on the Schedule A.

8.3 Signature Requirements

No modification or change in any provision of this Policy, including but not limited to, changes at renewal, shall be effective unless and until approved in writing by an authorized representative of Anthem and evidenced by an amendment or new Schedule attached to this Policy.

8.4 Any payments made under this Policy shall only be for the benefit of Employer. Anthem has no obligation or liability under this Policy to provide benefits to Subscribers or Members. No Subscriber or Member shall have the right to any of the proceeds of any stop loss insurance obtained by Employer pursuant to this Policy.

ARTICLE 9 SUBROGATION AND OTHER RECOVERIES

Any subrogation or other recovery received by the Plan will not be used to satisfy any of the stop loss limits under this Policy. Anthem will first be repaid any amounts it has reimbursed under this Policy or under a previous stop loss agreement between the Parties. Any remaining recovery amounts shall be credited or paid to Employer as described in the Administrative Services Agreement.

ARTICLE 10 TERMINATION

10.1 This Policy automatically terminates as follows:

10.1.1 At the end of each Policy Period unless the Policy is renewed pursuant to Article 8 of this Policy.

10.1.2 Upon the termination of the Administrative Services Agreement.

10.1.3 At the end of the month in which fewer than 100 Subscribers are covered under the Plan.

10.1.4 If Employer changes to a third party administrator other than Anthem for the Claims that are subject to this Policy.

Upon termination of this Policy, the Parties shall remain liable for all payments due under this Policy.

10.2 Employer may terminate this Policy at any time other than at the end of a Policy Period by giving Anthem 90 days written notice of its intent to terminate.

10.3 Notwithstanding any other provision of this Article 10, this Policy automatically terminates, without further notice or action, if Employer fails to pay any premium amounts due under this Policy within 7 days of the date of Anthem's notice to Employer of a delinquent amount owed. Such termination shall be effective as of the last period for which full payment was made. Any acceptance of a delinquent payment by Anthem shall not be deemed a waiver of this provision for termination of this Policy. Delivery of payment to Anthem or Anthem's receipt and negotiation of a tendered payment through its automatic deposit procedures shall not be deemed acceptance or a waiver of such termination. If this Policy is terminated due to nonpayment of premium, Claims Run-out coverage, if any, will not apply.

10.4 Notwithstanding any other provision of this Policy, if Employer engages in fraudulent conduct or misrepresentation, Anthem may rescind, cancel, or terminate this Policy, effective on the date of the fraudulent conduct or misrepresentation regardless of the date Anthem discovered such conduct. Employer shall be liable to Anthem for any and all payments made, as well as losses or damages sustained by Anthem arising as a result of such Employer conduct.

10.5 In the event that this Policy terminates or is terminated prior to the end of a Policy Period, the stop loss limits under this Policy shall not be prorated, and Anthem shall not reimburse Employer for any Paid Claims unless the Specific Stop Loss Limit and/or the Aggregate Stop Loss Limit or the Minimum Aggregate Stop Loss Limit, if greater, have been met. Only amounts accumulated towards any stop loss limits under this Policy through the date of termination will be used in the determination of whether such limits have been met. Anthem shall have no obligation to refund to Employer any stop loss premiums paid by Employer under this Policy.

If, based on the settlement calculation, Anthem must pay Employer an amount due under the terms of this Policy, Anthem shall pay Employer with the invoice that includes the settlement calculation.

If, based on the settlement calculation Employer must pay Anthem an amount under the terms of this Policy, then Employer shall pay Anthem no later than 30 days following receipt of the invoice.

ARTICLE 11 NOTICES

11.1 Notices under this Policy shall be deemed sufficient when made in writing as follows: to Employer, by first class mail, personal delivery, electronic mail or overnight delivery with confirmation capability, to its principal office shown upon the records of Anthem; to Anthem, by first class mail, personal delivery, electronic mail or overnight delivery with confirmation capability, to the designated Anthem sales representative.

11.2 A notice or demand shall be deemed to have been given as of the date of deposit in the United States mail with postage prepaid or, in the case of delivery other than by mail, on the date of actual delivery at the appropriate address.

ARTICLE 12 GENERAL PROVISIONS

12.1 No failure or delay by either Party to exercise any right or to enforce any obligation herein and no course of dealing between Employer and Anthem shall operate as a waiver of such right or obligation or be construed

as or constitute a waiver of the right to enforce or insist upon compliance with such right or obligation in the future. Any single or partial exercise of any right or failure to enforce any obligation shall not preclude any other or further exercise of the right to exercise any other right or enforce any other obligation.

- 12.2 Unless it has first obtained the written consent of an officer of the other Party, neither Party may assign this Policy to any other person. Notwithstanding the foregoing, Anthem may, with advance written notice to Employer, assign or otherwise transfer its rights and obligations hereunder, in whole or in part, to: (i) any affiliate of Anthem; or (ii) any entity surviving a transaction involving the merger, acquisition, consolidation, or reorganization of Anthem, or in which all or substantially all of Anthem's assets are sold. Additionally, Employer may, with advance written notice to Anthem, assign, delegate, or otherwise transfer its rights and obligations hereunder, in whole, to (i) any affiliate of Employer; or (ii) any entity surviving a transaction involving the merger, acquisition, consolidation or reorganization of Employer, or in which all or substantially all of Employer's assets are sold, provided that such affiliate or other assignee presents, in Anthem's opinion, an equivalent or better financial status and credit risk. Either Party is required to provide advance written notice under this provision only to the extent permissible under applicable law and the reasonable terms of the agreement(s) governing such merger, acquisition, consolidation, reorganization, or asset sale. If advance written notice is not allowed, notice shall be provided as soon as practicable. Upon receipt of notice of an assignment of this Policy, the other Party may terminate this Policy by providing the assigning Party with 30 days advance written notice of termination. Any assignee of rights or benefits under this Policy shall be subject to all of the terms and provisions of this Policy. Either Party may subcontract any of its duties under this Policy without the prior written consent of other Party; however, the Party subcontracting the services shall remain responsible for fulfilling its obligations under this Policy.
- 12.3 The payment of amounts under this Policy will not include any taxes which might be paid or payable by Employer; or any tax liability, interest, penalty, or assessment imposed by any regulatory or taxing authority or any state or federal health insurance exchange, uninsured pool or any other similar state or federal program. Employer agrees to reimburse Anthem for any tax liability, assessment, fee or other amount paid or payable by Employer that is assessed against Anthem on the basis of the stop loss coverage provided to Employer, including any amounts related to the assessment by the Federal government under the Patient Protection and Affordable Care Act and its amendments ("PPACA") and shall reimburse Anthem for the amount of any such tax liability incurred by Anthem and allocated to Employer as the result of such tax assessment. Such reimbursement shall be due and payable to Anthem by the Invoice Due Date.
- 12.4 No action by either Party alleging a breach of this Policy may be commenced after the expiration of 3 years from the date on which the claim arose.
- 12.5 Employer on behalf of itself and its participants, hereby expressly acknowledges its understanding that this Policy constitutes a contract solely between Employer and Anthem, that Anthem is an independent corporation operating under a license with the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, permitting Anthem to use the Blue Cross and Blue Shield Service Marks in the State of Kentucky and that Employer further acknowledges and agrees that it has not entered into this Policy based upon representations by any person other than Anthem and that no person, entity, or organization other than Anthem shall be held accountable or liable to it for any of Anthem's obligations to Employer created under this Policy. This paragraph shall not create any additional obligations whatsoever on the part of Anthem other than those obligations created under other provisions of this Policy.
- 12.6 If there is a conflict between the terms and conditions of this Policy and the Administrative Services Agreement between the Parties, the terms and conditions of this Policy shall prevail.
- 12.7 Anthem agrees that it will not terminate this Policy during an Eligible Claim Date Period due to adverse claim experience of Member(s).

ARTICLE 13 ENTIRE AGREEMENT

- 13.1 The following documents will constitute the entire description of stop loss coverage between the Parties: this Policy, including any applications, amendments and Schedules thereto.
- 13.2 This Policy supersedes any and all prior agreements between the Parties, whether written or oral, and other documents, if any, addressing the subject matter contained in this Policy.
- 13.3 If any provision of this Policy is held to be invalid, illegal or unenforceable in any respect under applicable law, order, judgment or settlement, such provision shall be excluded from the Policy and the balance of this Policy shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

ARTICLE 14 INTENTIONALLY OMITTED

IN WITNESS WHEREOF, the parties hereto have caused this Policy to be executed in duplicate by affixing the signatures of duly authorized officers.

Lexington-Fayette Urban County Government Anthem Insurance Companies, Inc. d.b.a. Anthem Blue Cross and Blue Shield

By: Linda Gordon Title: Mayor Date: 8/2/2023
By: Ben Kupr Title: President, Anthem BCBS of Indiana Date: 7/25/2023

SCHEDULE A
to the
STOP LOSS POLICY
with
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Section 1. Term

The Policy Period shall be from 01/01/2023 through 12/31/2023. For purposes of this Policy Period, this Schedule shall supplement and amend the Stop Loss Policy between the Parties.

Anthem shall provide an offer to renew this Policy at least 30 days prior to the end of a Policy Period.

Jurisdiction of this Policy shall be in the state of Kentucky.

Section 2. Eligible Claim Date Period

Claims under the Plan shall be covered by the Stop Loss Policy when Incurred and paid as follows:

Incurred from January 01, 2015 through December 31, 2023 and

Paid from January 01, 2023 through December 31, 2023

The Eligible Claim Date Period applies only to a full Policy Period.

Section 3. Member Classification Excluded from Stop Loss Coverage

Not Applicable

Section 4. Specific Stop Loss Coverage

A. Application of Specific Stop Loss Coverage

Amounts accumulated toward the Specific Stop Loss Limit shall be calculated as follows:

Per Member

B. Lines of Coverage

The specific stop loss coverage shall apply to the following benefits under the Plan:

Medical with Prescription Drug

C. Specific Stop Loss Coverage Limits

Specific Stop Loss Limit

three hundred fifty thousand dollars (\$350,000.00)

D. Premium Rates

The per Subscriber Premium Rates for the specific stop loss coverage shall be the following:

Medical with Prescription Drug

Composite \$37.05/mo.

E. Paid Claims

For purposes of specific stop loss coverage, Paid Claims shall exclude the following:

- Dental
- Vision
- Short Term Disability
- Capitated Fees
- Service Fees under the Blue Cross and Blue Shield Association InterPlan Program
- Administrative Fees under the Blue Cross and Blue Shield Association InterPlan Program
- Comprehensive Health Solutions Program Fees
- All Claim Surcharges
- Any surcharge listed in the invoice as "Other Charges and Credits"
- Funds representing Employer allocation to Consumer Directed Health Plan accounts
- Network Access Fees
- Administrative Service Fees provided under Schedule A, Section 3 of the ASO Agreement.

Section 5. Aggregate Stop Loss Coverage

Not applicable.

Section 6. Payment

ACH Demand Debit Reimbursement. Anthem will initiate an ACH demand debit transaction that will withdraw the amount due from a designated Employer bank account no later than the next business day following the Invoice Due

Date; however, if the Invoice Due Date falls on either a banking holiday, a Saturday or a Sunday, the withdrawal shall be made on the following banking day.

Section 7. Premium Credit

Anthem shall credit premium for each retroactive deletion up to a maximum of 60 days.

Section 8. Maximums

Not Applicable

Section 9. Other Fees and Charges

Not Applicable

IN WITNESS WHEREOF, the parties hereto have caused this Policy to be executed in duplicate by affixing the signatures of duly authorized officers.

Lexington-Fayette Urban County Government Anthem Insurance Companies, Inc. d.b.a. Anthem Blue Cross and Blue Shield

By: Linda Gorton By: [Signature]
 Title: Mayer Title: President, Anthem BCBS of Indiana
 Date: 8/2/2023 Date: 7/25/2023

ENDORSEMENTS SCHEDULE

This Endorsements Schedule to the Stop Loss Policy is effective 01/01/2023. This Schedule describes additional endorsements applicable to the Stop Loss Policy. If there are any inconsistencies between the terms of the Policy or Schedule A to this Policy and this Schedule, the terms of this Schedule shall control.

1. Premium Rates for the subsequent Policy Period will not exceed the current rates by more than 50% so long as no material changes to stop loss coverage, benefit design, commissions, or administration occur. If a material change occurs the additional increase in Premium Rates will be proportional to the change in question.
2. Anthem will not add any new member specific limits or exclusions to any current Members for the Policy Period.

Lexington-Fayette Urban County Government Anthem Insurance Companies, Inc. d.b.a. Anthem Blue Cross and Blue Shield

By: Linda Gorton By: [Signature]
 Title: Mayer Title: President, Anthem BCBS of Indiana
 Date: 8/2/2023 Date: 7/25/2023

Anthem Blue Cross and Blue Shield is the trade name of Anthem Insurance Companies, Inc. Independent licensee of the Blue Cross and Blue Shield Association. ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.

Fixed Administrative Costs

LFUCG

Effective January 1, 2023 through December 31, 2023

Fixed Administrative Costs	Current	1/1/2023 through 12/31/2023	1/1/2024 through 12/31/2024	1/1/2025 through 12/31/2025	1/1/2026 through 12/31/2026	1/1/2027 through 12/31/2027
	PCPM	PCPM	PCPM	PCPM	PCPM	PCPM
Current Non-CDH Plan Subscribers	752	752	752	752	752	752
Current CDH Plan Subscribers	2,285	2,285	2,285	2,285	2,285	2,285
Enrollment	3,037	3,037	3,037	3,037	3,037	3,037
Medical and Pharmacy Administration	\$32.81	\$32.81	\$0.00	\$0.00	\$0.00	\$0.00
Rx Administration Fee	\$3.90	\$2.90	\$0.00	\$0.00	\$0.00	\$0.00
Health Equity H S A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ASO Enhanced Foundational Wellness	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Composite Total:	\$48.39	\$36.71	\$35.71	\$0.00	\$0.00	\$0.00
Annual fixed administrative costs based on assumed enrollment:	\$1,337,859	\$1,301,415	\$0	\$0	\$0	\$0
Percentage Change:	\$38.92	-2.7%	0.0%	0.0%	0.0%	0.0%
CDHP Costs			Renewal PCPM			
Non-CDH Plan Subscribers	\$67.33		752			
CDH Plan Subscribers			2,285			
Rates will be charged separately based on membership in each plan						
Anthem HSA			\$0.00			


 Authorized Signature: *Linda Gorton*
 Title: Mayor
 Date: 12/14/2023

Additional Fee Disclosures:

See Additional Service Fees and Pharmacy Pricing for disclosure of additional service fees which are not included on this cost summary.

The Pharmacy Rebate Offset reflects the National Formulary. The offset may be adjusted if a different pharmacy formulary is sold.

A credit in the amount of \$156,000 will be applied to a January 2023 billing statement.

0267368-11

Stop Loss Options

LFUCG

Group Number(s): 834-004007832 W33022

Effective January 1, 2023 through December 31, 2023

Option 2 - \$375,000 Specific Stop Loss

Specific Stop Loss limit:	\$375,000	Aggregate Stop Loss percentage reimbursable:	0%
Specific Stop Loss contract basis:	Paid in 12	Aggregate Stop Loss contract basis:	
Lines of coverage Included:	Med And Rx	Lines of coverage Included:	
Specific Stop Loss Maximum:	Unlimited	Aggregate Stop Loss Maximum:	
Specific Stop Loss accumulation:	Per Member	Commissions:	
Commissions:	0.00%	Commissions:	
Renewal rate guarantee	50.00%	Payment Limit:	Annual
This Stop Loss offer is:	FIRM	Minimum Aggregate Stop Loss limit:	\$0
This Stop Loss offer expires:	11/10/2022	Estimated Policy Period Claims Maximum:	\$0

Additional terms for self-funded groups

This proposal guarantees your subsequent year's renewal will be capped at 50%.

Specific Stop Loss Premiums		Composite PCPM 3037	Annualized Total
Total	Current	\$28.50	\$1,038,654
Rate Change	Renewal	\$37.05	\$1,350,250 30.00%

Benefit Information

LFUCG

Effective January 1, 2023 through December 31, 2023

\$600 Deductible PPO (\$10/\$30/\$60/25% Base Ntwk, Med Form) National
 \$2000 Deductible PPO (\$10/\$30/\$60/25% Base Ntwk, Med Form) National
 \$3000/\$3000 HDHP (0%/0%/0% Base Ntwk, Med Form) National

Renewal Plan Designs

Renewal Plan Designs
 \$3000/\$5250 HDHP (20%/20%/20% Base Ntwk, P-HB Form) National

	Blue Access Custom	Blue Access Custom
Deductible SingleFamily	\$500/\$1000	\$2000/\$4000
Colnsurance	20%	20%
Out of Pocket Limit SingleFamily	\$1500/\$3000	\$4500/\$9000
Office Visits PCP/Specialist Copy	\$15/\$30	\$30/\$60
Inpatient / Outpatient copy (Surgery)	Ded & Coins	Ded & Coins
ER/urgent Care Copy	20%/\$80	20%/\$100
Prescription Drug - Retail	\$10/\$30/\$60/25%	\$10/\$30/\$60/25%
Prescription Drug - Mail Order	\$20/\$60/\$120/25%	\$20/\$60/\$120/25%
OOH Deductible (IndividualFamily)	\$1500/\$3000	\$6000/\$12000
OOH Colnsurance	50%	50%
OOH OOP Max (IndividualFamily)	\$4500/\$9000	\$12000/\$24000

	Blue Access Custom	Blue Access Custom
Deductible SingleFamily	\$3000/\$6000	\$3000/\$6000
Colnsurance	0%	0%
Out of Pocket Limit SingleFamily	\$3000/\$6000	\$3000/\$6000
Office Visits PCP/Specialist Copy	Ded & Coins	Ded & Coins
Inpatient / Outpatient copy (Surgery)	Ded & Coins	Ded & Coins
ER/urgent Care Copy	0%/0%/0%	0%/0%/0%
Prescription Drug - Retail	30%/50%/80%	30%/50%/80%
Prescription Drug - Mail Order	\$7500/\$15000	\$7500/\$15000
OOH Deductible (IndividualFamily)	30%	30%
OOH Colnsurance	\$3000/\$18000	\$3000/\$18000

	Blue Access Custom	Blue Access Custom
Deductible SingleFamily	\$3000/\$6000	\$3000/\$6000
Colnsurance	20%	20%
Out of Pocket Limit SingleFamily	\$2500/\$10500	\$2500/\$10500
Office Visits PCP/Specialist Copy	Ded & Coins	Ded & Coins
Inpatient / Outpatient copy (Surgery)	Ded & Coins	Ded & Coins
ER/urgent Care Copy	Ded & Coins	Ded & Coins
Prescription Drug - Retail	20%/20%/20%	20%/20%/20%
Prescription Drug - Mail Order	50%/50%/50%	50%/50%/50%
OOH Deductible (IndividualFamily)	\$7500/\$15000	\$7500/\$15000
OOH Colnsurance	50%	50%
OOH OOP Max (IndividualFamily)	\$3000/\$18000	\$3000/\$18000

Benefit categories reflect In-network benefits unless noted as Out-Of-Network (OON)

Benefit categories reflect In-network benefits unless noted as Out-Of-Network (OON)

Annualize Total \$0
 Authorized Signature: *Denisa Houston*
 Title: *Member*
 Date: *12/14/2022*

Composite PCPM 0
 Current \$0.00
 Renewal \$0.00

Arden Blue Cross and Blue Shield is the trade name of Arden Health Plans of Kentucky, Inc. Independent licensee of the Blue Cross and Blue Shield Association. ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. - 0287726-11

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Services included and buy-up options

LFUCG

Effective January 1, 2023 through December 31, 2023

Services Included in fixed administrative costs

- Administration of the proposed \$500 Deductible PPO (\$10/\$30/\$60/25% Base Ntwk, Natl Form)~Blue Access, \$2000 Deductible PPO (\$10/\$30/\$60/25% Base Ntwk, Natl Form)~Blue Access, \$3000/\$3000 HDHP (0%/0%/0% Base Ntwk, Natl Form)~Blue Access, \$3000/\$5250 HDHP (20%/20%/20% Base Ntwk, Natl Form)~Blue Access plan designs.
- ASO Enhanced Foundational Program
- LiveHealth Online
- Blue Distinction Programs
- Claims Fiduciary Coverage
- Standard ID cards
- Standard management reporting
- State/federal reporting
- Open enrollment meeting support
- Electronic version of the benefit booklets

Buy-Up Options

	FCPM fee
• Anthem HSA	\$2.35
• Behavioral Health Advantage*	\$1.66
• Gym Reimbursement add on to Engagement Package	\$2.44
• ASO Engagement Package 200	\$1.49
• ASO Engagement Package 500	\$1.49
• ASO Engagement Package 700	\$1.49

Account Administration Buy-Up Options (charged separately)

	Fee Billed Per Participant Per Month
• Anthem Commuter	\$3.40
• Anthem FSA	\$3.40
• Anthem HRA with FSA, Dependent FSA, Commuter	\$3.40
• Anthem Limited Purpose FSA or Dependent FSA or Commuter Add on to Anthem HSA	\$1.15

Authorized Signature:

Title:

Date:

Notes

Full quote details available upon request.

HSA and HRA account administration is only available with particular plan designs. Details available upon request.

Health Savings Account Fees may be paid by the employer or the employee.

*Behavioral Health Advantage has a fee of \$800 per case when members struggling with substance use disorders utilize the navigation service to secure appointments within 48 hours. Benefits include motivational interviewing by care specialists, evaluation appointment scheduled within 48 hours, and up to 3 follow-up calls from health advocates.

Assumptions and conditions

LFUCG

Effective January 1, 2023 through December 31, 2023

SIC Code: 9999

Administrative Services Only (ASO)

- The proposed services, rates and fees are effective from 1/1/2023 through 12/31/2023.
- This contract will be issued in KY.
- The proposal assumes 3,037 employees will be enrolling for medical coverage, with an average member to employee ratio of 1.95.
- The proposal assumes the same enrollment for medical and pharmacy.
- Anthem reserves the right to revise this proposal or modify these fees or rates under any of the following circumstances:
 - Due to any taxes, fees and assessments prescribed by any statutory, regulatory or other legal authority, that in Anthem's discretion, invalidates this quote.
 - Legislation or other matters that impact Anthem's costs or revenues under this proposal
 - Should the total enrollment or enrollment distribution by membership type, product or location change by 10% or more from that assumed when preparing the pricing for this package.
 - Actual Member to Subscriber ratio is not within +/-5% of 1.95.
 - A change to the plan benefits that result in substantial changes in the service, networks, or benefit design, as determined by
 - Changes in proposal terms, conditions, services or product from this quotation.
 - This is an integrated medical and pharmacy offering. Fees will change if pharmacy is carved-out.
 - Any of the plan benefits administered by Anthem are moved to another third party administrator or private exchanges.
 - Anthem and/or WCIC is not the sole medical carrier.
 - Change in nature of Employer's business.
- The final relationship between the Parties will be subject to and described in an Administrative Services Agreement and this agreement will be the binding agreement between the parties.
- Unless otherwise noted, fees are quoted on a per contract per month (PCPM) basis. PCPM is equivalent to, and will be described as per subscriber per month in the Administrative Services Agreement.
- Employers, as plan sponsors and administrators, are responsible for complying with all applicable laws.
- Eligibility data will be provided in Anthem's standard format. Additional charges may apply for non-standard formats.
- This quote assumes ACH withdraws from group's bank account for claims and fixed fees. Anthem's standard for claim billing is Weekly with payment required within 3 business days from receipt of invoice.
- This quote assumes Anthem will accept fiduciary responsibility for claims administration and the handling of the claims complaint and appeals. To the extent ERISA applies, the employer remains the Named Fiduciary of the plan.
- Commissions and consultant fees are excluded unless otherwise noted.
- The processing of claims incurred prior to the effective date is the responsibility of the prior claims administrator.
- Since Anthem is neither a Hawaii authorized insurer nor a Hawaii Health Care Contractor, our benefits may not match the requirements of the Prepaid Health Care Act. We recommend that you obtain direct quotes for either an individual policy for employees who live and work in Hawaii or if there are several employees within an employer group to obtain group coverage from a Hawaii authorized insurer. This would ensure that all the state requirements are met.
- Specific Stop Loss maximum matches the lifetime maximum of the plan(s) unless specified otherwise.
- This Stop Loss proposal expires 30 days from the date of its release or on the effective date, whichever is sooner.
- No change in benefits after the effective date by the group's employee benefit program shall be covered by the Stop Loss agreement nor shall any amounts paid as benefits resulting from such a change be counted towards the satisfaction of the attachment point. This limitation may be waived if a written acceptance of such a change is issued by the carrier.

Linda Gorton

Authorized Signature

Assumptions and conditions

LFUCG

Effective January 1, 2023 through December 31, 2023

SIC Code: 9999

Administrative Services Only (ASO)

- The proposed services, rates and fees are effective from 1/1/2023 through 12/31/2023.
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- The proposal assumes the same enrollment for medical and pharmacy.
- Anthem reserves the right to revise this proposal or modify these fees or rates under any of the following circumstances:
 - Due to any taxes, fees and assessments prescribed by any statutory, regulatory or other legal authority, that in Anthem's discretion, invalidates this quote.
 - Legislation or other matters that impact Anthem's costs or revenues under this proposal
 - Should the total enrollment or enrollment distribution by membership type, product or location change by 10% or more from that assumed when preparing the pricing for this package.
 - Actual Member to Subscriber ratio is not within +/-5% of 1.95.
 - A change to the plan benefits that result in substantial changes in the service, networks, or benefit design, as determined by Anthem.
 - Changes in proposal terms, conditions, services or product from this quotation.
 - This is an integrated medical and pharmacy offering. Fees will change if pharmacy is carved-out.
 - Any of the plan benefits administered by Anthem are moved to another third party administrator or private exchanges.
 - Anthem and/or WCIC is not the sole medical carrier.
 - Change in nature of Employer's business.
- The final relationship between the Parties will be subject to and described in an Administrative Services Agreement and this agreement will be the binding agreement between the parties.
- Unless otherwise noted, fees are quoted on a per contract per month (PCPM) basis. PCPM is equivalent to, and will be described as per subscriber per month in the Administrative Services Agreement.
- Employers, as plan sponsors and administrators, are responsible for complying with all applicable laws.
- Eligibility data will be provided in Anthem's standard format. Additional charges may apply for non-standard formats.
- This quote assumes ACH withdraws from group's bank account for claims and fixed fees. Anthem's standard for claim billing is Weekly with payment required within 3 business days from receipt of invoice.
- This quote assumes Anthem will accept fiduciary responsibility for claims administration and the handling of the claims complaint and appeals. To the extent ERISA applies, the employer remains the Named Fiduciary of the plan.
- Commissions and consultant fees are excluded unless otherwise noted.
- The processing of claims incurred prior to the effective date is the responsibility of the prior claims administrator.
- Since Anthem is neither a Hawaii authorized insurer nor a Hawaii Health Care Contractor, our benefits may not match the requirements of the Prepaid Health Care Act. We recommend that you obtain direct quotes for either an individual policy for employees who live and work in Hawaii or if there are several employees within an employer group to obtain group coverage from a Hawaii authorized insurer. This would ensure that all the state requirements are met.
- Specific Stop Loss maximum matches the lifetime maximum of the plan(s) unless specified otherwise.
- No change in benefits after the effective date by the group's employee benefit program shall be covered by the Stop Loss agreement nor shall any amounts paid as benefits resulting from such a change be counted towards the satisfaction of the attachment point. This limitation may be waived if a written acceptance of such a change is issued by the carrier.
- Only those coverage's quoted and which are eligible under the group's employee benefit program are eligible under this Stop Loss program.
- Stop Loss protection must be purchased in conjunction with our Administrative Services proposal.
- All expenses for services or supplies in excess of any limitation under the group's employee benefit program are excluded under the Stop Loss program.
- COBRA enrollees must not exceed 10% of total enrollees.
- Claims Run-Out coverage is applicable at the end of a full 12 month policy period only and cannot be applied against any Stop Loss policy that terminates prior to completion of the contract period.
- The Individual Stop Loss Limit accumulation period will be the full twelve months of the standard contract period.
- All contracts including the ASO Agreement and/or the Stop Loss Agreement must be signed prior to the effective date.
- This is an integrated administration and stop loss offering. Admin fee is not valid outside of this pairing with stop loss. Anthem Stop Loss cannot be omitted without approval from Underwriting.
- This offer assumes that no class of employees will be offered an HRA integrated with individual health insurance coverage. Anthem must be notified if particular classes of employees will be offered an HRA integrated with individual health insurance coverage, and a census of those employees must be provided so that appropriate adjustments, if needed, can be made to this offer.
- This quote does not include funding of the Patient-Centered Outcome Research Institute fee.
- This renewal is contingent upon the group / plan sponsor being current with all premium or fees as of the effective date of the renewal, unless specifically agreed to in writing in advance by Anthem.

- Anthem reserves the right to inspect and audit any and all of LFUCG documents relating to claims submitted to Anthem. Documentation includes, but is not limited to, claims, case management, utilization management records, audit records (including audits of TPA and TPA's providers and vendors), eligibility, as well as other information requested by Anthem. Anthem also has the right to review and audit records related to subrogation and other recoveries.
- The agent/broker does not have the authority to bind or modify the terms of this offer without prior approval of Anthem.

No Laser at renewal with 50% rate cap on Specific Stop Loss. Anthem will agree to this with one exception:

If a member exceeds the stop loss deductible 2 consecutive years, Anthem has the ability to "partially" laser that member with a higher stop loss deductible. To determine the deductible amount for that member, Anthem will estimate the ongoing cost of the member and use half that amount as the stop

loss deductible for that member IF the stop loss deductible is less than that amount. Example: Group has a stop loss deductible of \$250K. The estimated ongoing cost for high cost member is \$750K. The stop loss deductible for that member would be \$375K. The laser deductible amount will be capped as follows:

- 3x for up to \$275K deductible, • 2.5x for \$300K to \$400K, • 2x for over \$400K

Every 2 years Anthem will increase the specific stop loss deductible to keep up with deductible leveraging

Authorized Signature: Linda Gorton
Title: Mayor
Date: 12/14/2020

Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of Kentucky, Inc. Independent licensee of the Blue Cross and Blue Shield Association. ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. - 0267368-11

Additional service fees

LFUCG

Effective January 1, 2023 through December 31, 2023

Additional service fees

- Runout Period Claims Processing Fee Types**
Fees associated with claims processed during the runout period including without limitation subrogation fees, recovery fees, network access fees, will be charged during the runout period.
- Runout Period Claims Processing Fee Costs**
The charge for processing 12 months of runout claims is equal to the number of medical lives for the three months prior to termination multiplied by the administration fee in effect immediately prior to termination. In addition, direct charges may be incurred following termination that are not included in the standard runout processing fee (e.g., data feeds to other vendors).
- Out of Network Savings Fees**
The fee will be equal to 50% of the negotiated savings achieved on certain non-network claims.
- Traditional Network Provider Savings Fee**
The fee will be equal to 50% of Traditional network discounts. Traditional network discount is the difference between billed charges for covered services and the traditional provider negotiated amount. Prescription drug claims, claims paid on a capitated basis and Payment Innovation program payments are excluded from the fee calculation.
- Enhanced Personal Health Care (EPHC) Program Administration**
The fee for Anthem's oversight of EPHC with providers or vendors is 25% of the per attributed member per month amount charged to the Employer for the provider performance bonus portion of the EPHC program.
- Subrogation services**
The charge is 25% of gross subrogation recovery.
- Overpayment Identification and Claims Prepayment Analysis Activities**
The charge to Employer is 25% of (i) the amount recovered from review of Claims and membership data and audits of Provider and Vendor activity to identify overpayments and (ii) the difference between the amount Employer would have been charged absent prepayment analysis activities and the amount that was charged to Employer following performance of the prepayment analysis activities. This includes, but is not limited to, activities related to COB, Host Blue activities, contract compliance, and eligibility. The fee will not exceed \$25,000 per claim.
- External appeals**
The PPACA requires that ASO groups provide a process for external claims appeals to be available in situations where adverse benefit determinations have been made. Employer may contract with Anthem for this service or arrange to work directly with an external vendor. The fee will be \$500 per external appeal for the service contracted with Anthem.
- Independent Dispute Resolution**
Fee for Independent Dispute Resolution. Fees charged to Anthem as part of independent dispute resolution processes, including arbitrator fees, will be charged to Employer.
- Reporting**
Management reports (e.g., standard account reporting package, performance guarantee reporting, lag reports, online reporting tool/access are included in our fees. In addition to these reports, Anthem will provide 20 hours of time needed to generate custom or ad-hoc reports (e.g., care management and utilization review reports) at no charge per year. The charge beyond 20 hours per year is \$150 per hour of time needed to generate the custom or ad-hoc report.
- HSA Carve-out Vendor Connection**
A fee of \$10,000 applies to sending medical claims files to standalone HSA administrators (not purchased through Anthem).
- Data Feeds**
Anthem shall provide up to one Monthly data feed to a supported outside vendor in Anthem's standard format, not to exceed 12 feeds. The charge is \$1,000 for each additional feed. Each time a report is sent to a supported vendor electronically, it is considered a feed, even if the same report is sent to the same vendor monthly. For example, if monthly feeds are sent to two supported vendors, 24 electronic data feeds will have been used on an annual basis. The charge for Weekly data feeds to a single supported vendor, not to exceed 52 feeds, is \$15,000 annually. The charge for Daily data feeds to a single supported vendor, not to exceed 365 feeds, is \$20,000 annually. Additional fees would be required for Stop Loss interfaces, Rx integration feeds and telemedicine.
- Pharmacy Benefit Administration**
See Pharmacy Pricing Summary.



Authorized Signature

Pharmacy Pricing

LFUGG

Effective:

01/01/2023 - 12/31/2025

Total subscribers:

3,061



Retail Pricing Guarantees

RETAIL NETWORK OPTION (select one)

- Rx Choice Tiered Network
- Base Network

1-88 days' supply

Brand Discount % off AWP
Brand Dispensing Fee per Rx
Generic Discount % off AWP
Generic Dispensing Fee per Rx

Current	Rx Choice Tiered Retail Pharmacy Network Broad retail network that includes pharmacies across Tiers 1 and 2. Tier 1 rates below, Tier 2 rates = Base.		Base Retail Pharmacy Network Broadest retail network. Zip/Drop services available for \$0.70 per script fee	
01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025	01/01/2025 - 12/31/2025
18.15%	20.50%	20.60%	20.70%	19.50%
\$0.45	\$0.40	\$0.40	\$0.40	\$0.40
83.15%	85.30%	85.45%	85.60%	85.00%
\$0.45	\$0.40	\$0.40	\$0.40	\$0.40

Maintenance Pricing Guarantees

MAIL MAINTENANCE NETWORK OPTION:

- Optional Home Delivery
- Opt Out Home Delivery
- Mandatory Home Delivery

Brand Discount % off AWP
Generic Discount % off AWP

Current	Optional Home Delivery Standard mail order that allows members to receive a 90 day supply of maintenance medication through Anthem's Home Delivery Pharmacy.		Opt Out Home Delivery Members may choose to fill maintenance medications at retail or through Anthem's Home Delivery Pharmacy. (do not select with retail maintenance)		Mandatory Home Delivery Members are required to fill maintenance medications after a predetermined number of courtesy fills through Anthem's Home Delivery Pharmacy. (do not select with retail maintenance)	
01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025
24.15%	26.00%	26.40%	26.20%	26.00%	26.10%	26.20%
85.15%	87.00%	87.15%	87.30%	87.00%	87.15%	87.30%

RETAIL MAINTENANCE NETWORK OPTION:

- Retail 90
- Rx Maintenance 90

>= 84 days' supply
Brand Discount % off AWP
Brand Dispensing Fee per Rx
Generic Discount % off AWP
Generic Dispensing Fee per Rx

Current	Rx Maintenance 90 Network A maintenance network and plan design supporting 90-day supply of maintenance medications at ~ retail 25,000 pharmacies. (do not select with mail maintenance)		Base Retail 90 Pharmacy Network Broadest retail network.		Rx Choice Retail 90 Tiered Pharmacy Network Broad retail maintenance network that includes pharmacies across Tiers 1 and 2. Tier 1 rates below, Tier 2 rates = Base.	
01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025
21.50%	26.00%	26.10%	26.20%	22.00%	22.10%	22.25%
\$0.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
83.15%	87.00%	87.15%	87.30%	n/a	n/a	n/a
\$0.45	\$0.00	\$0.00	\$0.00	n/a	n/a	n/a

Specialty Guarantees

SPECIALTY (select one)

- Exclusive Specialty
- Open Specialty

Overall Specialty Discount % off AWP
Overall Specialty Dispensing Fee per Rx

Current	Open Specialty This program does not require mandatory use of Anthem's preferred Specialty Pharmacy Provider and allows members to obtain specialty medications at the pharmacy of their choice.	
01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024
19.15%	21.50%	21.60%
\$0.00	\$0.00	\$0.00

Moving to Open Specialty Network will include lost value and

FORMULARY OPTION (select one)

National Formulary

Prescription Drug Rebate Guarantees

Minimum Rebate Guarantees
 Retail Per Brand Script
 Home Delivery Per Brand Script
 Specialty Retail Per Brand Script
 Specialty Mail Per Brand Script
 Client Share of Rebates

Current	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025
\$235.62	\$316.49	\$365.04	\$406.25	\$406.25
\$646.26	\$831.96	\$933.96	\$1,027.79	\$1,027.79
\$2,371.85	\$2,886.25	\$2,924.33	\$3,380.75	\$3,380.75
\$1,664.76	\$2,023.88	\$2,293.23	\$2,641.54	\$2,641.54
100.00%	100.00%	100.00%	100.00%	100.00%

National Formulary
 Standard and broadest formulary offering that includes brand name and generic prescription medications selected through our P&T review process based on safety, effectiveness and value.

Admin Fees

Current Admin Fee	01/01/2022 - 12/31/2022	01/01/2023 - 12/31/2023	01/01/2024 - 12/31/2024	01/01/2025 - 12/31/2025
\$3.90	\$2.90	\$2.90	\$2.90	\$2.90

Pharmacy Administrative Fees

Admin Fee PCPM

The Pharmacy Pricing Guarantees presented here assume the adoption of all recommended programs.

Authorized Signature: _____

Linda Gordon

Title: _____

Mayer

Date: _____

12/14/2022

Document ID: 14389-55218-1-1

Pharmacy Pricing Assumptions & Conditions

LFUCG

Effective 01/01/2023 - 12/31/2025
Total subscribers: 3,061

General Conditions

The pricing and terms in this commercial proposal are being offered solely for LFUCG with an effective date of 01/01/2023, for a term of 3 Years. In order for the proposed terms to apply, the client must notify Anthem of offer acceptance at least 90 days prior to the effective date. Guarantees are contingent upon a signed agreement and assume alignment with the proposed Preferred Drug List (PDL), including all prior authorization and utilization management criteria, and a plan design that allows for up to 90 days supply at mail. As a portion of our reasonable compensation for services provided, we will retain the difference, if any, between the invoiced amount to the client and the amount paid to the PBM for prescription drugs dispensed to members. Anthem may receive and retain administrative fees from our pharmacy vendor or directly from pharmaceutical manufacturers. COVID Test Kits, COVID Anti-Viral Medication and COVID Vaccines are excluded from all rebates, pricing calculations and performance guarantees under your PBM contract. Should the client terminate Pharmacy Services during the Agreement Period for reasons other than for cause an early termination fee may apply.

Offer applies only to commercial plans.

Upon thirty (30) days prior written notice, Anthem may modify or amend the financial provisions in a manner designed to account for the impact of the events identified below:

- The client does not implement the recommended formulary, clinical and cost-of-care management programs that are part of the Plan.
- Material differences between client's actual utilization and the data and assumptions used to develop this quote, including but not limited to the percentage of claims subject to a consumer driven health plan (CDHP).
- Anthem is no longer the sole administrator for the pharmacy benefit portion of client's Plan or the exclusive source of prescription drug rebates.
- Prescription drug rebate eligibility is modified under an agreement between PBM and its vendor or PBM and a manufacturer.
- The client has an onsite pharmacy and/or participates in the Federal 340B purchasing program which was not disclosed to Anthem at the time of underwriting.
- A government action or major change in pharmaceutical industry practices that eliminates or materially reduces the manufacturer Prescription drug rebate program.
- Unexpected market events including but not limited to product launches and or recalls / withdrawals.
- Changes in the AWP reporting source or in the manner in which AWP is calculated, including changes in the mark-up factor used to calculate AWP.

We reserve the right to modify, suspend or nullify our guarantees should one of the following happen:

- A change to the Plan benefits that result in a substantial change in the services to be performed by Anthem.
- Circumstances beyond Anthem's control including but not limited to any act of God, civil riot, floods, fire, pandemics, acts of terrorists, acts of war, or power outages that delay our performance or that of our vendors.
- The client terminates the Agreement before the end of a performance period, or we terminate it because of non-payment.
- The client withdraws from participation in particular programs tied to performance guarantee(s) prior to completion of the measurement period associated with the performance guarantees.
- Anthem does not receive information or other support from employer that would allow us to meet the Guarantee.
- Anthem reserves the right to modify the pricing and/or rebate guarantees in the event of unanticipated brand or generic drug launches or unforeseen delays in expected drug launches.

This document represents a summary of Anthem's pricing offer and is not intended to be all-inclusive; other standard terms, conditions and pricing may apply. Specific contract language will be provided upon request. If this summary conflicts with the Administrative Services Agreement, the Administrative Services Agreement controls.

Network Guarantees

Network guarantees do not apply to claims processed through onsite or client owned pharmacies.

Our network guarantees exclude the following claims: compounds, U&C, Most Favored Nation, home delivery with <60 days' supply, paper, out-of-network, vaccines, Supplies, 340B, OTC, on-site pharmacy

We reserve the right to modify or nullify the network guarantees in the event of a 20.0% or greater change in annualized adjusted prescription drug claims compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the network guarantees in the event of a 20.0% or greater change in membership compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the network guarantees in the event of a 20.0% or greater change in utilization by channel compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the network guarantees in the event of a 20.0% or greater change in utilization by brand, generic and specialty distribution compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the network guarantees in the event of a 20.0% or greater change in utilization of onsite pharmacies compared to the assumptions used to develop this quote. Any payment due to LFUCG under any AWP discount guarantee within an AWP discount channel will not be offset by: (i) favorable results achieved in any other AWP discount guarantee within or across AWP discount channels, (ii) overall favorable results for another pharmacy financial guarantee.

Rebate Guarantees

The client must use Anthem's recommended formulary to be eligible for prescription drug rebates, whether the prescription drug rebates are paid or applied as a credit. Rebate eligibility is dependent on confirmation of LFUCG's ERISA status. Rebate guarantees do not include rebates attributable to medical claims processed by Anthem.

Our rebate guarantees exclude the following claims: U&C, Most Favored Nation, home delivery with <60 days' supply, paper, out-of-network, vaccines, Supplies, 340B, compounds, OTC, claims with >50% Member Cost Share, Multi-Source Brands, specialty starter fills

Rebate guarantees do not apply to claims processed through institutional, hospital, or staff model/hospital pharmacies where the pharmacy, most likely, has its own manufacturer contracts (rebate or purchase discounts), or through pharmacies that participate in the Federal government pharmaceutical purchasing program. Rebate guarantees do not apply if there is a failure by the client to maintain and implement a Plan design wherein non-preferred drugs have either a \$15.00 higher Copayment or a 50% higher coinsurance (ex: preferred = 30%, non-preferred = 45%) than the preferred.

We reserve the right to modify or nullify the rebate guarantees in the event of a 20.0% or greater change in annualized adjusted prescription drug claims compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the rebate guarantees in the event of a 20.0% or greater change in membership compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the rebate guarantees in the event of a 20.0% or greater change in utilization by channel compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the rebate guarantees in the event of a 20.0% or greater change in utilization by brand, generic and specialty distribution compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the rebate guarantees in the event of a 20.0% or greater change in utilization of onsite pharmacies compared to the assumptions used to develop this quote. We reserve the right to modify or nullify the rebate guarantees if greater than 5.00% of utilization is not on the selected formulary. Any payment due to LFUCG under a rebate guarantee will not be offset by favorable results achieved in any other rebate guarantee or other pharmacy financial guarantee.

Our Prescription Drug Plan: Programs and Services

We offer a comprehensive suite of trend and integrated health management programs and services. Below is a list, by product, of the programs and services that are included in this offer. This list is not all inclusive and may change as we update our offering to meet the needs of the marketplace.

Category	Charge
General Administration	Included at no cost
Account management	Included at no cost
Banking	Included at no cost
FSA feeds	Included at no cost
Implementation services	Included at no cost
Plan design strategy and consultation	Included at no cost
Combined medical & pharmacy ID cards	Included at no cost



Standard communication materials to assist members with enrollment decisions and welcome them to their new plan when they enroll	Included at no cost
Customized communication materials	\$2.00 per letter
Paper claims/member submitted claims processing	\$2.50 per occurrence
Network Pharmacy Services	
Pharmacy help desk with toll-free number 24/7 support	Included at no cost
Pharmacy network management	Included at no cost
Pharmacy reimbursement	Included
Fraud, Waste and Abuse (FWA) Services includes two types of Pharmacy Network monitoring and audit capabilities.	Included
Daily claim review and reprocessing	Included
Pharmacy Network Audit/ Investigative and Onsite Audit	100% of recoveries received are shared less a 25.00% recovery fee to cover associated expenses.
Custom / Onsite Pharmacy network development and administration	Subject to initial set up and ongoing maintenance fees to be determined based on scope.
On-site pharmacy claim processing	Included at No Cost
Home Delivery Services	
Home delivery claims processing	Included at no cost
Home delivery call center with toll-free number	Included at no cost
Benefit education (includes home delivery promotion)	Included at no cost
Retail-to-Home Delivery member outreach programs	Included at no cost
Home delivery regular shipping and handling	Included at no cost
Account Management Services	
Annual strategic planning with quarterly reviews	Included at no cost
Centralized administration for payment of claim and administration fees	Included at no cost
Designated pharmacy account team support, including Pharmacy Account Manager, Pharmacy Program Manager (clinical), Pharmacy Services Coordinator	Included at no cost
Remote training for access to online system(s)	Included at no cost
Dedicated account team support	Pricing available upon request
Member Services	
Customer service for members with toll-free number, to include language translation services	Included at no cost
Pharmacy customer service call center with toll-free number	Included at no cost
Member Website Portal (SSO)	Included at no cost
Internet Services	
e-Services for Prescriptions: Intuitive and easy to navigate	Included at no cost
Online health improvement tools and programs	Included at no cost
Pharmacy look-up	Included at no cost
Refill a prescription	Included at no cost
Savings center – compare costs to switch from retail to home delivery	Included at no cost
Search and price a medicine – search drugs by name, therapeutic class or subclass; compare costs and drug details, including price by pharmacy	Included at no cost
Secure member message center	Included at no cost
Additional miscellaneous internet services – view coverage and copayments, obtain an ID card, access drug and health guide	Included at no cost
Patient, Trend, Quality and Cost-of-Care Management	
Clinical Prior Authorization program This review focuses mainly on drugs that may have risk of serious side effects or dangerous drug interactions, high potential for incorrect use or abuse, better alternatives that may cost less, or restrictions for use with very specific conditions.	Included at no cost
Clinical Pharmacy Review – Physician Review Certain medications need a higher level of review than a Clinical Prior Authorization and additional information from the prescriber.	Included at no cost
IngenioRx ProActive PA Proactive PAs apply integrated medical and pharmacy data, where a member's diagnosis from medical claims are incorporated into the pharmacy claim system to seamlessly approve PAs where diagnoses are required. During adjudication, the Proactive PA rules evaluate the member's diagnosis from medical claims for the presence of a diagnosis code representing a condition for which a traditional utilization review is not needed to authorize the medication. If the diagnosis is present, the claim will pay at point-of-sale rather than rejecting for PA required.	Included at no cost
Step Therapy Step therapy requires the member to use one medication before benefits for the use of another medication can be authorized. Step therapy ensures members have previously used first-line therapies or have risk factors making the prescribed products inappropriate.	Included at no cost
Quantity Limits and Dose Optimization Quantity limits guard against high doses and excessive utilization based on either doses exceeding the FDA or manufacturer recommended maximum daily doses or limiting short-term medications to a certain number of fills over a defined period of time.	Included at no cost
Concurrent Drug Utilization Review Utilizes point-of-service safety edits (for Specialty and non-Specialty Products) to monitor: Clinical appropriateness Medication safety Duplicate claims Duplicate prescriptions Refill frequency (refill-too-soon) Maximum dispensing limitations Cost and quantity inconsistency	Included at no cost
Retrospective Drug Utilization Review programs Retrospective safety review within 72 hours of adjudication.	Included at no cost
Rx Care Nexus (formerly known as IngenioRx Enhanced Care Optimization Program) IngenioRx's digital-first clinical care management solution, which includes the standard core clinical programs and expanded scope of chronic conditions managed, focuses on identifying potential gaps in pharmacy care related to adherence, appropriate use, medication compliance, safety, cost savings on generics and formulary alternatives. This program concentrates on addressing actionable clinical opportunities for individual members who are identified as at-risk. Interventions are conducted through multiple outreach channels including a variety of digital capabilities such as LiveHealth Online. The Rx Care Nexus program includes a guaranteed return on investment (ROI) of 2:1 based on savings from improved adherence, conversion of targeted drugs to lower cost solutions, and medication management. If the ROI is less than 2:1, then PBM will credit additional savings to the extent necessary to make the ROI ratio 2:1. However, the credit will not exceed the value of the program fee paid for the year.	Included at no cost
Cost-of-Care programs Formulary management – outcomes-based formulary	Included at no cost
Generic Drug Management Preferred Generics – members pay brand copy plus the cost difference when a generic is available but a brand is selected.	Included at no cost
Vaccine Program Fee	Included at no cost
Prescription Drug Discount Program for Non-Covered Drugs Allows members to purchase certain medications not covered under their plan at a discount.	Included at no cost
Specialty Condition Management - Standard Offers specialized Member support and resources targeting 9 rare medical conditions to all Members using the Specialty Pharmacy after their second fill of a Specialty Product through the Specialty Pharmacy. Conditions: Crohn's disease, cystic fibrosis, Gaucher's disease, hemophilia, hereditary angioedema, lupus, multiple sclerosis, rheumatoid arthritis, and ulcerative colitis.	Included at no cost
Specialty Condition Management - Enhanced powered by IngenioRx	Included at no cost

Offers specialized Member support and resources targeting 19 rare medical conditions to Members identified by Prescription Drug Claims and medical claims review. Conditions: Crohn's disease, cystic fibrosis, Gaucher's disease, hemophilia, hereditary angioedema, lupus, multiple sclerosis, rheumatoid arthritis, ulcerative colitis, amyotrophic lateral sclerosis, chronic inflammatory demyelinating polyradiculoneuropathy, dermatomyositis, epilepsy, myasthenia gravis, Parkinson's disease, polymyositis, scleroderma, sickle cell disease, and HIV.	
Specialty Cost Optimization Program Comprehensive management of medical specialty utilization and spend and ensuring appropriate, quality care. Right Drug Right Channel - Consists of two components which drive specialty medications to the most clinically appropriate benefit- medical to pharmacy and pharmacy to medical. Medical Specialty Drug Review: Helps to improve outcomes and manage total cost by applying clinical criteria that optimize dose and ensure clinically appropriate and safe use. Site of Care - Clinical reviews are initiated when certain specialty medications are requested to be administered in an outpatient hospital setting. The review will determine the level of care that is medically necessary.	Included
Reporting Services	
Clinical savings reports	Included at no cost
Standard reporting	Included at no cost
Web-based client reporting	Included at no cost
Client Reporting Packages	
Base Package Access to Rx Guide (unlimited) All custom reporting requests are billable at \$150 per hour rate	Included at no cost
Specialty Pharmacy Services	
Comprehensive specialty pharmacy and individualized member support services	Included at no cost
Specialty pharmacy call center with toll-free number	Included at no cost
Specialty pharmacy claims processing	Included at no cost
Specialty pharmacy regular shipping and handling	Included at no cost
Therapy-specific counseling	Included at no cost
Additional Services and Programs	
Custom/Ad-hoc requests	We include the first 20 hours included at no charge. After 20 hours per year, the charge is \$150 per hour of time needed to generate a custom or ad-hoc report. \$1.30 per letter
Member Communications for programs including the following: Non-FDA approved drug block disruption letters (optional based on client choice) Re-labeler program (optional based on client choice) Clinical Equivalent Drug List (CEDL) disruption letters (optional based on client choice) New Implementation Formulary Disruption Letters (optional based on client choice)	
Controlled Substance Utilization Management (CSUM) Retrospective — Monitors overuse of controlled substances	Included at no cost
Safety Communications, Drug Recalls and Withdrawals Alerts Members and Prescribers to safety concerns about the medications they are taking and prescribing. Alerts Members impacted by changes in the Medicare Formulary or Medicaid Formulary due to safety issues (Class I Recalls, Class II Recalls, Market Withdrawals, side-effects) per CMS Requirements and Medicaid Requirements, as applicable.	Included at no cost
Pharmacy Home Identifies members who may be over-utilizing controlled substances, prescription cascading, or doctor/pharmacy shopping. Members that meet defined criteria are restricted to the designated home pharmacy.	Included at no cost

COBRA Fees

Lexington Fayette Urban County Government

Contract Period: 1/1/2023 – 12/31/2023

	COBRA Flat Fee (PPPM)	COBRA Qualifying Event Fee (One-Time Fee)	Implementation Fee
1,000 – 5,000 Eligible Employees	\$13.58 per participant per month	\$13.58 per participant	\$1,000

*Groups under 1,000 eligible employees will be billed on a per contract per month basis. Eligible employee counts will be confirmed quarterly.

Cobra is comprised of the following elements:

- o Reliable notifications and tracking
- o Monthly beneficiary collection invoices
- o Billing and collection of COBRA premiums
- o Anthem Premium disbursement to employer
- o Payment via ACH direct debit
- o Optional open enrollment services
- o Toll-free participant customer service support
- o 24-hour access to account information via Web
- o Toll-free employer customer service support
- o Real-time online management reporting
- o Imaged documentation of COBRA notifications sent
- o Monitor regulations and implement new federal COBRA requirements as necessary
- o The cost for standard programming in Anthem's standard format.

Anthem's proposed COBRA fees assume the following:

The flat and qualifying event fees shown above assumes the 2% of premium COBRA admin charge will be retained by Anthem. If client requests to retain the 2% charge, the COBRA fees would increase by 25%.

Optional COBRA Services:

- o New Plan Participant Notification: \$2.90 per notice (Recommended: Notifications include COBRA General Rights notifications communicating the newly eligible employees rights and responsibilities to notify the employer of a Qualifying Event that could trigger a COBRA event.)
- o HIPAA Special Enrollment Notification: \$2.90 per notice
- o Outside Carrier Health Plan Eligibility Communication: \$25.00 per carrier per month
- o Outside Carrier Eligibility Communication and Premium Remittance: \$50.00 per carrier per month
- o Open Enrollment Support Services:
 - a. Comprehensive Package (Anthem sends complete Open Enrollment Kits directly to the members and processes the forms) –
 - » \$15.00 per packet – plus related postage expenses
 - b. Optional packages are offered only on an exception basis. Additional pricing is applicable.
- o Retro-Active New Plan Participant Notification: \$2.00 per notice
- o Retro-Active HIPAA Special Enrollment Notification: \$2.00 per notice
- o Past Due Notices: \$1.00 per notice
- o Custom Programming: \$125.00 per hour

Linda Gorton

Client Signature

Linda Gorton

Printed Name

12/12/2022

Date

Performance Guarantees

Lexington-Fayette Urban County Government expects excellence, Anthem strives to provide excellent value by improving affordable access to quality healthcare for our customers. Together we will deliver outstanding value for your employees.

We are confident that we will deliver outstanding service for Lexington-Fayette Urban County Government. As such, we are placing administrative fees at risk to meet certain criteria as outlined below.

A summary of our guarantees

This is a summary of the performance guarantees that Anthem offers. The final terms and conditions of the Performance Guarantees contained in the renewal are subject to finalization of the contract language in the Administrative Services Agreement. It is not a legal contract. If this summary conflicts with the Administrative Services Agreement, any Schedules or Attachments, the Administrative Services Agreement controls.

These guarantees apply to Lexington-Fayette Urban County Government's plan.

More about the guarantees

All guarantees will be effective from January 01, 2023 to December 31, 2023, unless otherwise noted. The guarantees are measured and settled annually, with exceptions specified.

These guarantees cover aspects of performance that are related to Anthem's control. Listed below are potential reasons that may alter or void the terms of the guarantees:

- A change to the Plan benefits that result in a substantial change in the services to be performed by Anthem or the measurement of a Performance Guarantee.
- Your number of enrolled Subscribers goes up or down by 10% or more after your plan or renewal starts.
- Changes in law or regulation that materially impacts underwriting assumptions made at the time of offering such Performance Guarantees.
- There is no executed Administrative Services Agreement on file.

- All Performance Guarantees may be revisited and may potentially be impacted due to a cause beyond the reasonable control of a Party such as a pandemic (an outbreak of disease that affects an exceptionally high proportion of members) being declared by the Centers for Disease Control or if a Force Majeure event (meaning an act of God, civil or military disruption, terrorism, fire, strike, flood, riot or war) occurs during the Measurement or Baseline Period that impacts a meaningful portion of the Employer population.
- You terminate the Agreement before the end of a Performance Period, or we terminate it because of non-payment.
- You terminate participation in particular programs tied to Performance Guarantee(s), prior to completion of the Measurement Period.

General Terms

- **Performance Category.** The term Performance Category describes the general type of Performance Guarantee.
- **Reporting Period.** The term Reporting Period refers to how often Anthem will report on its performance under a Performance Guarantee.
- **Measurement Period.** The term Measurement Period is the period of time under which performance is measured, which may be the same as or differ from the period of time equal to the Performance Period.
- **Penalty Calculation.** The term Penalty Calculation generally refers to how Anthem's payment will be calculated, in the event Anthem does not meet the target(s) specified under the Performance Guarantee.
- **Amount at Risk.** The term Amount at Risk means the amount Anthem may pay if it fails to meet the target(s) specified under the Performance Guarantee.
- Some Performance Guarantees measure and compare year to year performance. The term Baseline Period refers to the equivalent time period preceding the Measurement Period. Anthem will require specified historical Claims and utilization data to establish the Baseline Period for the first year of a Performance Guarantee utilizing a Baseline Period.
- Performance Guarantees may be measured using either aggregated data or Employer-specific Data. The term Employer-specific Data means the data associated with Employer's Plan that has not been aggregated with other employer data. Performance Guarantees will specify if Employer-specific Data shall be used for purposes of measuring performance under the Performance Guarantee.
- All Performance Guarantees in which Anthem will make outbound calls or will reach out through email or other means to members will exclude members who Anthem cannot reach due to incorrect or invalid telephone numbers, including numbers where permission is required by law but not provided, or those members who have requested that Anthem not contact them.
- Anthem's obligation to make payment under the Performance Guarantees is conditioned upon Employer's timely performance of its obligations provided in the Agreement in this Schedule C and the Attachments, including providing Anthem with the information or data required by Anthem in the Attachments.
- Anthem has the right to offset any amounts owed to Employer under any of the Performance Guarantees contained in the Attachments to this Schedule C against any amounts owed by Employer to Anthem under: (1) any Performance Guarantees contained in the Attachments to this Schedule C; (2) the Agreement; or, (3) any applicable Stop Loss Policy

Amount at Risk

The total amount at risk for the below performance guarantees between Anthem and Lexington-Fayette Urban County Government shall not exceed the following:

- Operations Guarantees:
 - 15.000% of Base Medical Admin fees.
- Network Guarantees:
 - 10.000% of Base Medical Admin fees.

Confirmation of all applicable fees for the performance guarantees will be reflected in Employer's Schedule C.

Maximum Amount Payable

The maximum amount payable under all guarantees between Anthem and Lexington-Fayette Urban County Government shall not exceed 25.000% of the Base Medical Administration fees. The Maximum Amount Payable provisions above do not apply to Pharmacy-related Performance Guarantees.

Operations Guarantee

Performance Category	Year 1	Year 2	Year 3
Claims Timeliness (14 Calendar Days)	1.500% of Base Admin. Services Fees		
Claims Financial Accuracy	1.500% of Base Admin. Services Fees		
Claims Accuracy	1.500% of Base Admin. Services Fees		
Open Enrollment ID Card Issuance	1.500% of Base Admin. Services Fees		
Processing of Ongoing Eligibility Information	1.500% of Base Admin. Services Fees		
Average Speed to Answer	1.500% of Base Admin. Services Fees		
Call Abandonment Rate	1.500% of Base Admin. Services Fees		
Member Satisfaction – NPS	1.500% of Base Admin. Services Fees		
Management Reports	1.500% of Base Admin. Services Fees		
Account Management Satisfaction	1.500% of Base Admin.		

	Services Fees		
Total Amount At Risk – Operations	15.000% of Base Medical Admin fees		

Additional Terms and Conditions:

- Performance will be based on the results of a designated service team/business unit assigned to Lexington-Fayette Urban County Government, unless the guarantee is noted as measured with Employer-specific Data.

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
			Result	Penalty	Measurement Period
Claims Timeliness (14 Calendar Days)	Year 1: 1.500% of Base Admin. Services Fees	A minimum of 90% of Non-investigated medical Claims will be Processed Timely. Non-investigated Claims are defined as medical Claims that process through the system without the need to obtain additional information from the Provider, Subscriber or other external sources. Processed Timely is defined as Non-investigated medical Claims that have been adjudicated within 14 calendar days of receipt. This Guarantee will be calculated based on the number of Non-investigated Claims that Processed Timely divided by the total number of Non-investigated Claims. The calculation of this Guarantee does not include Claim adjustments. The calculation of this Guarantee also excludes in any quarter Claims for an Employer that requests changes to Plan benefits, until all such changes have been implemented. This will be measured with Employer-specific Data.	90.0% or Greater 88.0% to 89.9% 86.0% to 87.9% 85.0% to 85.9% Less than 85.0%	None 25% 50% 75% 100%	Annual Annual
Claims Financial Accuracy	Year 1: 1.500% of Base Admin. Services Fees	A minimum of 99% of medical Claim dollars will be processed accurately. This Guarantee will be calculated based on the total dollar amount of audited medical Claims paid correctly divided by the total dollar amount of audited medical Paid Claims. The calculation of this Guarantee includes both underpayments and overpayments. The calculation of this Guarantee does not include Claim adjustments or Claims in any quarter in which an Employer requests changes to Plan benefits, until all such changes have been implemented.	99.0% or Greater 98.0% to 98.9% 97.0% to 97.9% 96.0% to 96.9% Less than 96.0%	None 25% 50% 75% 100%	Annual Annual
Claims Accuracy	Year 1: 1.500% of Base Admin. Services Fees	A minimum of 97% of medical Claims will be paid or denied correctly. This Guarantee will be calculated based on the number of audited medical Claims paid and denied correctly divided by the total number of audited medical Claims paid and denied. The calculation of this Guarantee excludes in any quarter Claims for an Employer that requests changes to Plan benefits, until all such changes have been implemented.	97.0% or Greater 96.0% to 96.9% 95.0% to 95.9% 94.0% to 94.9% Less than 94.0%	None 25% 50% 75% 100%	Annual Annual
Open Enrollment ID Card Issuance	Year 1: 1.500% of Base Admin. Services Fees	100% of Subscriber digital ID cards will be available or Member physical ID cards will be mailed to open enrollment participants no later than the Employer's effective date provided that Anthem receives an Accurate Eligibility File. An Accurate Eligibility File is defined as: (1) an electronic eligibility file formatted in a mutually agreed upon manner; (2) received by Anthem no later than 30 calendar days prior to the Employer's effective date; and, (3) contains an error rate of less than	100% 99.0% to 99.9%	None \$100 per ID Card not to exceed 25% of amount at risk for this measure	Employer's effective date 60 calendar days following the Employer's effective date

		<p>1%. This Guarantee will be calculated based on the total number of open enrollment ID cards available to Subscribers or mailed to Members within the timeframe set forth above divided by the total number of Members eligible to receive open enrollment ID cards. This will be measured with Employer-specific Data.</p>	<table border="1"> <tr> <td>98.0% to 98.9%</td> <td>50%</td> </tr> <tr> <td>97.0% to 97.9%</td> <td>75%</td> </tr> <tr> <td>Less than 97.0%</td> <td>100%</td> </tr> </table>	98.0% to 98.9%	50%	97.0% to 97.9%	75%	Less than 97.0%	100%									
98.0% to 98.9%	50%																	
97.0% to 97.9%	75%																	
Less than 97.0%	100%																	
Processing of Ongoing Eligibility Information	Year 1: 1.500% of Base Admin. Services Fees	<p>100% of Employer's ongoing electronic eligibility files will be processed timely. Timely Processing is defined as electronic eligibility files processed and updated on the eligibility database within 7 business days of receipt of an eligibility file. This Guarantee only applies to the processing of eligibility files submitted by Employer outside of an open enrollment period. This Guarantee does not apply to the first production files after setup and testing, COBRA files, or Defective Eligibility Files. A Defective Eligibility File is defined as an eligibility file that has data errors, includes all records that do not pass Anthem's enrollment business rules, or does not allow for Anthem's automatic processing. This Guarantee does not apply to errors that have to be processed manually in the system.</p> <p>Anthem's payment of this Guarantee is conditioned upon receipt of eligibility files in a format mutually agreed upon by the Parties.</p> <p>This Guarantee will be calculated by (1) dividing the total number of eligibility files processed within the timeframe set forth above by (2) the number of Employer's eligibility files processed.</p> <p>This will be measured with Employer-specific Data.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>None</td> </tr> <tr> <td>98.0% to 99.9%</td> <td>25%</td> </tr> <tr> <td>96.0% to 97.9%</td> <td>50%</td> </tr> <tr> <td>94.0% to 95.9%</td> <td>75%</td> </tr> <tr> <td>Less than 94.0%</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	100%	None	98.0% to 99.9%	25%	96.0% to 97.9%	50%	94.0% to 95.9%	75%	Less than 94.0%	100%	<p>Measurement Period Annual</p> <p>Reporting Period Annual</p>		
Result	Penalty																	
100%	None																	
98.0% to 99.9%	25%																	
96.0% to 97.9%	50%																	
94.0% to 95.9%	75%																	
Less than 94.0%	100%																	
Average Speed to Answer	Year 1: 1.500% of Base Admin. Services Fees	<p>The average speed to answer (ASA) will be 45 seconds or less. ASA is defined as the average number of whole seconds members wait and/or are in the telephone system before receiving a response from a customer service representative (CSR) or an interactive voice response (IVR) unit. This Guarantee will be calculated based on the total number of calls received in the customer service telephone system.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>45 seconds or less</td> <td>None</td> </tr> <tr> <td>46 to 48 seconds</td> <td>25%</td> </tr> <tr> <td>49 to 51 seconds</td> <td>50%</td> </tr> <tr> <td>52 to 54 seconds</td> <td>75%</td> </tr> <tr> <td>55 or more seconds</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	45 seconds or less	None	46 to 48 seconds	25%	49 to 51 seconds	50%	52 to 54 seconds	75%	55 or more seconds	100%	<p>Measurement Period Annual</p> <p>Reporting Period Annual</p>		
Result	Penalty																	
45 seconds or less	None																	
46 to 48 seconds	25%																	
49 to 51 seconds	50%																	
52 to 54 seconds	75%																	
55 or more seconds	100%																	
Call Abandonment Rate	Year 1: 1.500% of Base Admin. Services Fees	<p>A maximum of 5.0% of member calls will be abandoned. Abandoned Calls are defined as member calls that are waiting for a customer service representative (CSR), but are abandoned before connecting with a CSR. This Guarantee will be calculated based on the number of calls abandoned divided by the total number of calls received in the customer service telephone system. Calls that are abandoned in less than 5 seconds will not be included in this calculation.</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>5.0% or Less</td> <td>None</td> </tr> <tr> <td>5.01% to 5.40%</td> <td>25%</td> </tr> <tr> <td>5.41% to 5.70%</td> <td>50%</td> </tr> <tr> <td>5.71% to 5.99%</td> <td>75%</td> </tr> <tr> <td>6.0% or Greater</td> <td>100%</td> </tr> </tbody> </table>	Result	Penalty	5.0% or Less	None	5.01% to 5.40%	25%	5.41% to 5.70%	50%	5.71% to 5.99%	75%	6.0% or Greater	100%	<p>Measurement Period Annual</p> <p>Reporting Period Annual</p>		
Result	Penalty																	
5.0% or Less	None																	
5.01% to 5.40%	25%																	
5.41% to 5.70%	50%																	
5.71% to 5.99%	75%																	
6.0% or Greater	100%																	
Member Satisfaction – NPS	Year 1: 1.500% of Base Admin. Services Fees	<p>This Guarantee establishes a Quality Benchmark transactional Net Promoter Score (NPS) of 40. Anthem will either: (i) meet or exceed the Quality Benchmark; or, (ii) there will be an improvement in the Net Promoter Score from the Baseline Period.</p> <p>The survey is conducted after a member contacts a customer service representative (CSR). Each member who completes a transaction with Anthem will be asked to provide a rating on a scale from 0 (Not at All Likely) to 10 (Extremely Likely) to a question that asks how likely the member would recommend Anthem to a friend or colleague based on the member's most recent transaction. The transactional Net Promoter Score will be calculated by subtracting the percentage of Detractors (members who provide a rating from 0 to 6) from the percentage of Promoters (members who provide a rating of 9 or 10).</p> <p>To determine the results for (i), Anthem shall compare</p>	<table border="1"> <thead> <tr> <th>Result</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>Net Promoter Score increased</td> <td>None</td> </tr> <tr> <td>OR</td> <td></td> </tr> <tr> <td>If Net Promoter Score stayed the same or decreased AND is 40 or Greater</td> <td>None</td> </tr> <tr> <td>39.0 to 39.9</td> <td>25%</td> </tr> <tr> <td>38.0 to 38.9</td> <td>50%</td> </tr> <tr> <td>37.0 to 37.9</td> <td>75%</td> </tr> </tbody> </table>	Result	Penalty	Net Promoter Score increased	None	OR		If Net Promoter Score stayed the same or decreased AND is 40 or Greater	None	39.0 to 39.9	25%	38.0 to 38.9	50%	37.0 to 37.9	75%	<p>Measurement Period Annual</p> <p>Reporting Period Annual</p>
Result	Penalty																	
Net Promoter Score increased	None																	
OR																		
If Net Promoter Score stayed the same or decreased AND is 40 or Greater	None																	
39.0 to 39.9	25%																	
38.0 to 38.9	50%																	
37.0 to 37.9	75%																	

		the Net Promoter Score in the Measurement Period to the Quality Benchmark. The improvement for (ii) will be determined by comparing the Net Promoter Score in the Measurement Period to the Net Promoter Score in the Baseline Period. The Baseline Period is the equivalent time period preceding the Measurement Period.	Less than 37.0	100%	
Management Reports	Year 1: 1.500% of Base Admin. Services Fees	Standard automated reports will be made available to Employer by no later than 25 calendar days following the end of the month. The reports will include financial, utilization and clinical information.	Result Reports are late 1 month Reports are late 2 months Reports are late 3 or more months	Penalty None 25% 100%	Measurement Period Annual Reporting Period Annual
Account Management Satisfaction	Year 1: 1.500% of Base Admin. Services Fees	A minimum average score of 3 will be attained on the Account Management Satisfaction Survey (AMSS). A minimum of 3 responses per Employer to the AMSS is required to base the score on Employer-specific responses only. If 3 responses are received from the Employer, an average score is calculated by adding the scores from each respondent divided by the total number of Employer respondents. If fewer than 3 responses are received, the score will be calculated as follows: 2 Employer responses: 2/3 of the score will be based on Employer-specific AMSS results and 1/3 of the score will be based on the aggregate score of all AMSS results received by the Account Management Team. 1 Employer- response: 1/3 of the score will be based on Employer- specific AMSS results and 2/3 of the score will be based on the aggregate score of all AMSS results received by the Account Management Team. 0 Employer responses: The score will be based on the aggregate score of all AMSS results received by the Account Management Team.	Result 3.0 or higher 2.5 to 2.9 2.0 to 2.4 Less than 2.0	Penalty None 25% 50% 100%	Measurement Period Annual Reporting Period Annual

Network Guarantees

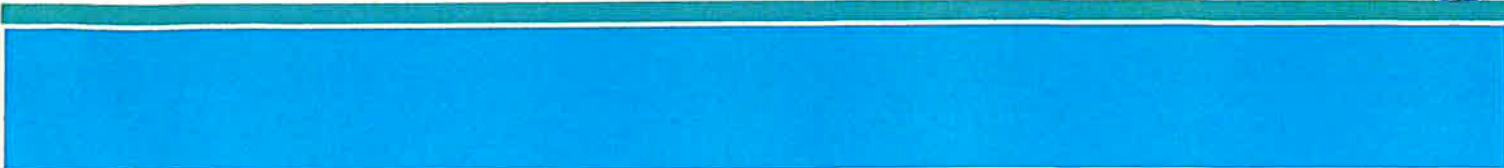
Performance Category	Year 1	Year 2	Year 3
Network Provider Discount	10.000% of Base Admin. Services Fees		
Total Amount At Risk - Network	10.000% of Base Medical Admin fees		

Additional Terms and Conditions

- This/These Guarantee(s) applies to following time periods:(Measurement Period)
Year 1: Claims Incurred from January 01, 2023 through December 31, 2023 and Paid from January 01, 2023 and through December 31, 2023.
- This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Riley Childrens Hospital in IN, Vanderbilt Hospital in TN, and Nationwide in Columbus, OH

- This Guarantee excludes all charges for any Member whose allowed Claims exceed \$250,000.00 during the Measurement Period.
- Anthem has the right in its sole discretion to modify or terminate this Guarantee if any of these occur:
 - Anthem is no longer the sole administrator for Employer's Plan.
 - Employer fails to maintain at least an average enrollment of 3037 Subscribers.
 - The geographic distribution of Subscribers changes by more than 5% in any state or 10% in total from the Employer census provided for purposes of establishing this Guarantee.
 - A change is initiated by Employer that results in a substantial change in the services to be performed by Anthem or; the measurement of a Performance Guarantee.
 - The Advantage Network is not implemented in the following locations: CA, DC/MD, FL, GA, MN, MO, NH, NY, PA, & WI.

Performance Category	Amount at Risk	Guarantee	Penalty Calculation		Measurement and Reporting Period
			Result	Penalty	Measurement Period
Network Provider Discount	Year 1: 10.000% of Base Admin. Services Fees	<p>Anthem guarantees a minimum Network Provider Discount of 60.000%.</p> <p>This Guarantee excludes the following Providers: Cincinnati Childrens Hospital in OH, Riley Childrens Hospital in IN, Vanderbilt Hospital in TN, and Nationwide in Columbus, OH. This Guarantee excludes the Total Claims Charges for any Member that exceeds \$250,000.00 in paid claims in the Measurement Period and Capitated Claims. Eligible Claim Charges are defined as charges for Covered Services provided to Members enrolled in PPO Plans. Eligible Claim Charges will be based on Anthem primary Claims only and will not include charges related to Prescription Drug Claims, Inter-Plan Program fees, state surcharges, Anthem Provider payment innovation programs or services rendered outside the United States. Allowed Amount is defined as the amount paid by Anthem to PPO Network Providers on Eligible Claim Charges plus any Member cost shares.</p> <p>This Guarantee will be calculated by dividing the PPO Network Provider Allowed Amounts by the PPO Network Provider Eligible Claim Charges. The resulting percentage shall be subtracted from 100% to determine the Network Provider Discount.</p> <p>Anthem has the right in its sole discretion to modify or terminate this Guarantee if any of the following conditions occur:</p> <ul style="list-style-type: none"> •Anthem is no longer the sole administrator for Employer's Plan. •Employer fails to maintain at least an average enrollment of 3,037 Subscribers. •The geographic distribution of Subscribers changes by more than 5% in any state or 10% in total from the Employer census provided for purposes of establishing this Guarantee. <p>Only Claims submitted to a Blue Cross and/or Blue Shield licensee for processing and adjudication shall be considered for purposes of this Discount Guarantee. This Guarantee will terminate on the date any federal price transparency law or regulation goes into effect.</p> <p>This will be measured with Employer-specific Data.</p>	60.0% or Greater	None	<p><u>Measurement Period</u></p> <p><u>Reporting Period</u> Annual</p>
	Year 2:		<p>59.0% to 59.9%</p> <p>58.0% to 58.9%</p> <p>57.0% to 57.9%</p> <p>Less than 57.0%</p>	25%	
Year 3:					



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Linda Gorton

Client Signature

Linda Gorton

Printed Name

12/14/2022

Date

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